

UNITED STATES CIVIL SERVICE COMMISSION  
WASHINGTON 25, D. C.

July 14, 1960

DEPARTMENTAL CIRCULAR NO. 1024, SUPPLEMENT NO. 17

TO HEADS OF DEPARTMENTS AND INDEPENDENT ESTABLISHMENTS

SUBJECT: Federal Employees Health Benefits Program: Interim Instructions  
for Processing Registration, Transfer, and Termination Actions.

Purpose

It is the purpose of this Supplement to provide interim instructions to guide action on health benefits registrations, transfers, and terminations until such time as the FPM Group Health Benefits Chapter (I-5) is released. Present plans are that this Chapter will be delayed until the instructions can be tested through actual experience gained during installation of the program and adapted, as necessary, to continuing operations.

Certain of the instructions contained in this Supplement clarify or modify previous instructions; others provide guides on matters not previously covered.

Effective Date of Certain Enrollments

The enrollment of an eligible employee (other than a substitute in the postal field service) who registers before July 1 but is in a non-pay status will be the first day of the first pay period which begins:

1. after June 30, and
2. after the employee has returned to pay status.

The fourth sentence of Section I-A4(b) of Supplement 8 to this Circular is rescinded as inconsistent with the above criteria, established by Section 89.4 (a) of the Regulations.

Registration After July 1

The registration procedures followed during June, as amplified by the instructions in the attachment labelled Part I, should be followed in registering new appointees and other persons enrolling for the first time. It is particularly important that you record, in the "Remarks" space on SF 2809, the reason supporting each registration occurring after July 1.

### Permissible Changes in Enrollment

Enrollment changes for employees may be made as shown in the "Table of Permissible Changes in Enrollment" printed on the back of the duplicate copy of SF 2809. Annuity holders, however, may not make enrollment changes on the basis of Event No. 6. Neither, under present law and regulations, may an annuity holder enroll during the 1961 open season. No open season is promised to annuity holders after 1961, but such privilege may be provided. Special instructions regarding open seasons after 1961 will be issued later. The table will be revised and clarified when SF 2809 is next reprinted.

For purposes of determining whether a change in type of enrollment (from self only to family, or reverse, or from one family Code to another) may be made, changes in family status include marriage; granting of a final decree of divorce; the birth or death of a family member (as family member is defined for purposes of this program); the legal adoption of a child; attainment, by a child, of the age of 19; marriage of a child under 19; recovery of the capacity of self-support of a child, 19 or older, who is covered as a dependent, or of a dependent husband of an enrolled female employee or annuity holder; and the loss of the capacity of self-support of a husband covered as a member of the family of a female employee. Issuance or termination of an order or decree of a court granting limited divorce, legal separation, or separate maintenance permits only change in enrollment from family to self only, or reverse.

### Retirement Systems Affected

The instructions in the attachments to this Supplement apply primarily to employees and annuity holders subject to the Civil Service Retirement System. Procedures for continuing, and changing, health benefits enrollments following retirement, reemployment, or death under other retirement systems should be worked out internally by the particular agency concerned, adapting the procedures outlined in this Circular as necessary to fit its special needs. The Commission's staff will be glad to confer with and provide all possible assistance to other agencies which administer retirement systems for civilian employees of the Federal and District of Columbia governments.

These include:

1. System for Board of Governors of the Federal Reserve System
2. Foreign Service Retirement System
3. System for Public School Teachers of the District of Columbia
4. System for Policemen and Firemen of the District of Columbia
5. Lighthouse Retirement System.

The Health Benefits Act provides that employees who receive monthly compensation under the Federal Employees' Compensation Act shall be considered annuity holders under certain conditions. Federal Employees' Compensation cases are also covered in this Circular.

Need for Prompt Action on Transferred Enrollments

It is critically important that employing offices which receive transferred enrollments, especially of annuitants, process them as promptly as possible. Delays beyond the 31-day temporary extension of coverage will inconvenience the carrier; unnecessarily alarm the employee or annuitant and delay his benefits; and cause extra work for the receiving employing office. Carriers are being instructed to ask the receiving office for a report on the status of any case in which they receive a claim more than 31 days after one office has transferred an enrollment out but before the receiving office has reported it.

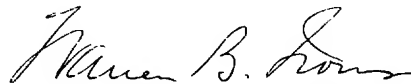
Attachments to this Circular

Attachments to this Circular have been printed in Parts to facilitate their use in processing enrollments of annuitants. Part I, however, has general applicability and should be read carefully by all persons and offices concerned with the processing of any type of health benefits action. The attachments, and their subjects, are:

- Part I - Standard Health Benefits Forms
- Part II - Retired Employees
- Part III - Reemployed Annuitants
- Part IV - Survivor Annuitants
- Part V - Federal Employees' Compensation Cases

Additional Information

Any inquiries about this Circular, and any constructive suggestions regarding the procedures, may be made in the Washington area by calling Code 129, Extension 3391. Inquiries in the field may be made of the appropriate Civil Service Commission Regional Director, Attention: Regional Health Benefits Representative.



Warren B. Irons  
Executive Director

Attachments

## PART I - STANDARD HEALTH BENEFITS FORMS

SF 2809 and SF 2810 are key forms in the processing of health benefits actions. On the back of each are instructions which, together with those already issued and those contained in this Supplement, should permit their effective use until the time the new Federal Personnel Manual chapter on health benefits is distributed.

### A. SF 2809

1. Use of Form. SF 2809, Health Benefits Registration Form, is to be filled out by the individual to record his decisions about his participation in the health benefits program. SF 2809, properly executed by the eligible employee or annuitant, is used for the following registration actions: registration not to enroll; to enroll; to change enrollment (from self-only to family, or reverse; from one option to another in the same plan; from one plan to another; and from one code number to another when a woman's status with respect to a dependent or non-dependent husband changes); and to cancel enrollment.

2. Carrier Control Number. The Carrier Control Number never changes so long as the employee or annuitant remains continuously in the same plan. Therefore, when an employee or annuitant fills out SF 2809 to change options or type of enrollment within the same plan, the employing office should strike through the preprinted "Carrier Control No." and insert in its place the number from the previous SF 2809.

3. "Remarks". The employing office should use this space to state briefly the reason which supports the registration action shown on the completed form, if the reason is not apparent from other entries. For example, if the employee is newly appointed, write in this space "Appointed (date)" to support a registration to enroll. In the case of a change in type of enrollment, identify and give the date of the change in family status which permits the enrollment change: for example, "divorce decree granted (date)", or "dependent husband recovered (date)".

### B. SF 2810

1. Use of Form. SF 2810, Notice of Change in Enrollment Status, is to be filled out by the employing office, including one which administers a retirement system. Its purpose is to give official notice to all interested parties, including the carrier, of each one of the following changes: termination of enrollment, other than by voluntary cancellation by SF 2809; change of enrollment from one plan to another (to losing carrier only; gaining carrier gets SF 2809); transfer of enrollment made to another agency or payroll office; transfer of enrollment received from another agency or payroll office; suspension, and reinstatement following suspension, of enrollment; change in name of enrollee; and "automatic" change from family to self-only enrollment, in the case of a survivor annuitant.

2. Transfers of Enrollment. Note that every transfer of enrollment requires preparation of two SF 2810's; one by the employing office transferring the enrollment out, and the other by the employing office receiving it. The receiving office should issue this second SF 2810 as promptly as possible, so that the carrier will know that the transfer of enrollment has been completed. If there is a claim for benefits before the second SF 2810 is issued by the receiving office, the carrier will have to ask that office for a report on the status of the case.

3. "Automatic" Changes. Only those offices that administer retirement systems should complete:

- a. Part F, Change in Name of Enrollee, when the change is from the name of an enrollee who died to that of his survivor annuitant.
- b. Part G, Change in Enrollment--Survivor Annuitant, when enrollment is changed from family to self-only because it is apparent that there is only one eligible survivor annuitant.

Other offices, therefore, will not fill in Part F or Part G when issuing SF 2810 for an enrolled employee who has died.

#### C. Conversion

Completion of Part B of SF 2810 terminates the enrollment of the employee or annuitant, and the back of the original is his notice and evidence of his right to convert to an individual contract. Termination of a family member's coverage is automatic when he no longer meets the definition of "family member"; no action by the agency is required. It is the responsibility of the enrolled employee or annuitant, when the health benefits coverage of a member of his family terminates, to arrange with the carrier for the family member's conversion to an individual contract. Employing and Payroll Offices will not monitor these family member conversion transactions; maintain rosters of eligible family members; send family members individual notices of right to convert when they are no longer eligible for enrollment in the group health benefits program; or furnish carriers with the names of family members eligible to convert.

#### D. Filing SF 2809 and SF 2810 in Official Personnel Folder

The Employing Office copy of SF 2809 and SF 2810 should be filed on the right, or permanent, side of the Official Personnel Folder.

#### E. Ordering Standard Forms

Standard Forms 2809, 2810, 2811, and 2812 will be supplied without cost to Federal agencies. Each agency should requisition enough forms to supply its employing and payroll offices through its regular distribution channels.

The Commission will ship forms to a central distribution point in the agency. The agency in turn is expected to ship to its field offices. It is suggested that when an order is placed, it be made for a 6-month's supply.

Supplies of forms may be requisitioned by letter addressed to the Office Services Division, U. S. Civil Service Commission, Washington 25, D. C.

The Commission will stock a minimum for emergency replenishment; if large quantities are ordered, approximately eight weeks should be allowed for printing and distributing forms to the agency central distribution point.

The schedule for submitting requisitions to the Commission is August 15, November 15, February 15, and May 15.

## PART II - RETIRED EMPLOYEES

If an employee is separated under conditions which entitle him to continue health benefits enrollment during retirement, his enrollment is not terminated as in other separations and he therefore does not have the right to convert to an individual contract. Rather, his enrollment is transferred to his retirement system and is automatically continued. The requirements for continuing enrollment and the procedures for processing health benefits actions upon separation for retirement are outlined below.

### A. Requirements for Continuing Enrollment

1. Criteria and Definitions. An employee who retires under any one of the civilian retirement systems for Federal or District of Columbia employees is eligible to continue health benefits enrollment, if he meets all of the following requirements:

- a. He is enrolled in a health benefits plan at the time he retires;
- b. He has at least 12 years of creditable service or retires on disability;
- c. He retires on immediate annuity;
- d. He has been enrolled during all of his service since his first opportunity to enroll or for the 5 years of service immediately preceding his retirement; and
- e. The amount of his annuity is sufficient to cover the withholding required for the cost of enrollment in a health benefits plan.

For purposes of the requirements listed above:

- "Creditable service" means that which is creditable under the Civil Service Retirement Act (See Page R-5-17 of the Federal Personnel Manual). Active, honorable military service is "creditable service" even though it forms the basis for military retired pay or social security benefits. Also, civilian service for which retirement deductions were refunded and not redeposited is "creditable service."
- An "immediate annuity" is one that begins to accrue not later than one month after the retired employee's enrollment in a health benefits plan would otherwise terminate.
- A person covered as a family member of an enrolled spouse is considered to be "enrolled" for purposes of requirement (d) above.

- Whether annuity is sufficient to cover enrollment costs will always be determined by the office administering the retirement system, rather than by the office in which the employee worked.

2. Effect of Retroactive Approval of Annuity for Employees Who Had Lost Health Benefits Coverage. If at the time of his separation for retirement an employee's health benefits coverage had been terminated because he had been in continuous non-pay status more than 365 days, approval of his annuity will restore his coverage only if the annuity is made effective retroactively to a date not later than one month after the 365th day of the non-pay status.

#### B. Procedure

The following procedures apply to separating employees who appear to be eligible for an immediate annuity. No health benefits action, other than issuing SF 2810 to terminate enrollment, need be taken upon separation of an employee who does not appear to be eligible for an immediate annuity.

The following procedure directs agencies to add certain health benefits notations to the SF 2806, Individual Retirement Record, of the retiring employee. These notations may be made by rubber stamp. When the notation includes a number, the actual Enrollment Code or Carrier Control Number of the individual should be written in.

1. Employee Not Enrolled (Non-Disability Retirement). If the retiring employee was not enrolled for health benefits, note the "Remarks" column of SF 2806, "Not Enrolled for Health Benefits" and process the retirement as usual. (SF 2809 will remain in the employee's personnel folder).

2. Employee Ineligible for Continued Enrollment (Non-Disability Retirement). If the employing agency determines that the retiring employee is ineligible for continued enrollment because of failure to meet any one of the requirements listed under (A) above, it will:

- a. Prepare and issue SF 2810 terminating the enrollment, as for any other termination;
- b. Note the "Remarks" column of SF 2806 "Not Eligible to Continue Health Benefits";
- c. Process SF 2806 and the retirement application as usual. (Do not send copies of SF 2809 and SF 2810 to the Commission.)

The Commission will not require documentation of the above health benefits certification on SF 2806 and will process the retirement claim as usual. If the agency certifying officer has any doubt about whether the employee is ineligible to continue (as, for example, when verified service of record shows less than 12 years but the employee claims more than 12 years), the employee should be given the benefit of the doubt and the enrollment should be transferred to the Commission as outlined in 3, below.



3. Employee Eligible to Continue Enrollment (Non-Disability Retirement).  
If the employing agency believes that the retiring employee may be eligible to continue enrollment, it will:

- a. Prepare and issue SF 2810 transferring the enrollment to "Civil Service Retirement System, Washington 25, D. C."
- b. Note the "Remarks" column of the SF 2806 "Enrollment Code (Number)" and forward it to the Commission together with:
  - 1) the quadruplicate copy of the SF 2810 transferring the enrollment;
  - 2) the triplicate copies of all SF 2809's signed by the employee (including any in which he registered not to enroll), and any medical certificates attached thereto; and
  - 3) other retirement and, if applicable, life insurance documents.

The Commission will review all retirement and health benefit documents and make final determination of the retiring employee's eligibility to continue health benefits enrollment after retirement. The Commission will issue SF 2810 to notify all interested parties of the completion of the transfer and, if eligibility is confirmed, withhold the retired employee's share of the subscription charge from his annuity. If retirement is disallowed, or allowed under conditions which do not entitle the retired employee to continue his health benefits enrollment, the Commission will issue SF 2810 terminating the enrollment and giving him an opportunity to convert to an individual contract.

4. Disability Retirement. If an employee applies for disability retirement, the employing agency will:

- a. Note the "Remarks" column of the preliminary SF 2806 "Not Enrolled for Health Benefits" if he is not enrolled; or, if he is enrolled, "Enrollment Code (Number)" and "Carrier Control (Number)".
- b. Forward the preliminary SF 2806 to the Commission with SF 2801 (Application for Retirement) and other usual retirement documents.
- c. After receipt of notice from the Commission that an enrolled employee should be separated for disability retirement, prepare and issue SF 2810 transferring his enrollment to "Civil Service Retirement System, Washington 25, D. C."

- d. Forward the quadruplicate copy of SF 2810; the triplicate copies of all SF 2809's signed by the employee (including any in which he registered not to enroll), and any medical certificates attached thereto; the final SF 2806; and, if applicable, life insurance documents to the Commission.

The Commission will adjudicate the retiring employee's eligibility to continue health benefits enrollment as in other retirement cases.

### PART III - REEMPLOYED ANNUITANTS

#### A. Annuitants Not Already Enrolled for Health Benefits

1. Registration. If an annuitant who is not already enrolled for health benefits is reemployed and is not excluded from coverage under the health benefits regulations applicable to employees generally, he must register in the same manner as any other employee. If he registers to enroll, the employing agency will make the necessary health benefits withholdings and contributions just as for other employees.

2. Eligibility for Continued Enrollment Upon Separation from Reemployment. A reemployed annuitant who enrolls during his reemployment is eligible to continue health benefits coverage upon separation from reemployment if he meets all the conditions that any other retiring employee is required to meet. If his reemployment did not terminate his title to annuity, however, he must be entitled to a supplemental annuity upon termination of the reemployment, in order to satisfy the "immediate annuity" requirement. (See page R-5-68 of the Federal Personnel Manual).

#### B. Annuitants Already Enrolled for Health Benefits

1. Reemployment Under Conditions Terminating Title to Annuity. If an already-enrolled annuitant is reemployed under conditions which terminate his title to annuity, the reemploying agency will (by letter to the Bureau of Retirement and Insurance, USCSC, Washington 25, D. C.) request his SF 2809's and SF 2810; determine his eligibility for continued enrollment under the same criteria that apply to any other employee who transfers from another agency; prepare and issue SF 2810 completing the transfer and either terminating the enrollment or approving its continuance; and, if continued enrollment is approved, make the necessary health benefits withholdings and contributions as for other employees. Upon his separation from reemployment, the same procedures that apply to other employees being separated or retired (Part II of this Supplement) will be followed.

2. Reemployment Under Conditions Which Do Not Terminate Title to Annuity. If an already-enrolled annuitant is reemployed under conditions which do not terminate his title to annuity, the reemploying agency need take no action with respect to his health benefits coverage. The Civil Service Retirement System will continue to serve as his "employing office" for health benefit purposes and will continue to make the necessary health benefits withholdings and contributions in the same manner as for other annuitants. His enrollment will not be affected by his separation from reemployment, and his separation therefore requires no health benefits action by the reemploying office.

#### PART IV - SURVIVOR ANNUITANTS

If all of the requirements listed under A of this Part are met, coverage of the family member(s) of an enrolled employee or annuitant is automatically continued when his title to survivor annuity is established. \*He is not entitled to convert to an individual contract. Eligibility requirements and applicable procedures are outlined below.

7-5-61  
see below

##### A. Requirements for Continuing Enrollment

A survivor(s) of an enrolled employee or annuitant is eligible to continue health benefits enrollment, if all of the following requirements are met:

1. The employee or annuitant was enrolled for himself and his family at the time of his death;
2. The employee or annuitant had at least 5 years of creditable service;
3. At least one member of the family is entitled to annuity as the survivor of the enrolled employee or annuitant; and
4. The annuity of the survivor(s) is sufficient to cover the withholdings required for enrollment in a health benefits plan.

Note that with respect to 3, above, all covered family members, provided they are otherwise eligible, may continue health benefits coverage as long as any one of them receives a survivor annuity. For example: an employee dies leaving two children; although the older child's annuity terminates when he reaches age 18, his health benefits coverage would continue until his 19th birthday if the younger child continues to receive sufficient annuity for a family enrollment.

##### B. Procedure

The following procedure directs agencies to add certain health benefits notations to SF 2806, Individual Retirement Record, of a deceased employee. These notations may be made by rubber stamp. When the notation includes a number, the actual Enrollment Code or Carrier Control Number of the individual should be written in.

1. Employee Not Enrolled. If an employee who dies was not enrolled for health benefits, note the "Remarks" column of SF 2806 "Not Enrolled for Health Benefits", and process SF 2806 and any claim for death benefits as usual. (SF 2809 will remain in the employee's personnel folder).

\* Since survivors are not eligible w/ Commission give them opportunity to convert to direct billing w/ Underwriter - Some

2. Employee Enrolled, Survivors Ineligible for Continued Enrollment.

If an employee who dies was enrolled for health benefits and the agency determines that his survivor(s) is ineligible for continued enrollment because of failure to meet any one of the requirements listed under A, above, it will:

- a. Prepare and issue SF 2810 terminating the enrollment, as in the case of any other termination;
- b. Note the "Remarks" column of the employee's SF 2806 "No Survivor Eligible to Continue Health Benefits";
- c. Process SF 2806 and any claim for death benefits as usual. (Do not send copies of SF 2809 and SF 2810 to the Commission).

The Commission will not require documentation of the above health benefits certification on SF 2806 and will process the claim for death benefits as usual. If the agency's certifying officer has any doubt about whether survivors are ineligible for continued coverage (as, for example, if the amount of verified service is less than 5 years but there are indications that the employee may actually have had that much), the survivor should be given the benefit of the doubt and the enrollment should be transferred to the Commission as outlined in 3, below.

3. Employee Enrolled, Survivor(s) Eligible for Continued Enrollment.

If an enrolled employee dies leaving a survivor(s) who appears eligible to continue enrollment, the agency will:

- a. Prepare and issue SF 2810 transferring the enrollment to "Civil Service Retirement System, Washington 25, D. C.";
- b. Note the "Remarks" column of the employee's SF 2806 "Enrollment Code (Number)" and forward it to the Commission together with:
  - 1) the quadruplicate copy of the SF 2810 transferring the enrollment;
  - 2) the triplicate copy of all SF 2809's signed by the employee (including any in which he registered not to enroll) and any medical certificates attached thereto; and
  - 3) other retirement documents.

The Commission will review all retirement and health benefits documents and make final determination of the survivor's eligibility for continued enrollment. If eligibility is confirmed, the Commission will:

- a. change the name in which the enrollment is to be carried from that of the deceased employee to that of the survivor annuitant;
- b. change the enrollment from family to self-only if it is apparent from available records that the survivor annuitant is the sole survivor entitled to continued enrollment. (This change will be retroactively rescinded if the survivor annuitant requests continuation of the family enrollment within 31 days after the first installment of the annuity is paid. In this event, corresponding adjustment in withholdings and contributions will also be made.)

The changes described in a and b, immediately above, will be made effective as of the date the survivor annuity begins. They will always be made by the Commission rather than by the agency transferring the enrollment to the Commission.

4. Prompt Submission of Retirement and Health Benefits Documents Required. Submission of SF's 2806, 2809, and 2810 should not be delayed pending receipt of the Application for Death Benefits (SF 2800), although this document should be forwarded with the rest of the file if it is already available or can be obtained quickly.

5. Death of Enrolled Annuitant. If an enrolled annuitant dies leaving a survivor who is eligible to continue enrollment, the Commission will process the change in enrollment status by preparing and issuing SF 2810 notifying the carrier of the annuitant's death and confirming continuance of the enrollment in the name of the survivor annuitant.

## PART V - FEDERAL EMPLOYEES' COMPENSATION CASES

Employees and former employees receiving monthly compensation under the Federal Employees' Compensation Act, as well as the surviving beneficiaries of such employees who die, are eligible to continue health benefits enrollment under the conditions outlined in this Part. If they meet these conditions, their enrollment is not terminated, and they are not entitled to convert to individual policies.

Note that the requirements for continued enrollment of employees are different from those that apply to their survivors.

A great deal of detailed and unproductive work would be required to transfer every employee's health benefits enrollments between the Bureau of Employees' Compensation and employing agencies each time his monthly compensation starts and stops. Certain "operating principles" have been developed to control the volume of this work and to guide health benefits actions involving persons receiving monthly BEC compensation. These are set forth in A, below, and are reflected in the procedures outlined in B and C, below.

### A. Operating Principles

1. Determinations of eligibility for continued health benefits enrollment will be made by

- a. The employing agency, with respect to these requirements based on enrollment in a health benefits plan, and
- b. The Bureau of Employees' Compensation, with respect to those requirements based on its actions and findings.

2. The Bureau of Employees' Compensation will not make health benefits withholdings for any employee who receives monthly compensation under the Federal Employees' Compensation Act for 28 days or less. It will make withholdings and compute contributions for all other eligible employees who receive monthly BEC compensation, and the deductions will be made for the entire period from the date compensation began or the date following that on which agency deductions ceased, whichever is later.

3. Health benefits enrollments will be transferred by SF 2810 to the Bureau of Employees' Compensation only upon its request. The Bureau will ordinarily request transfer only if it expects to compensate the employee 6 months or longer. Until a transfer of enrollment is made by SF 2810, an employee receiving monthly compensation under the Federal Employees' Compensation Act will be carried by his employing agency as an enrollee for whom no deductions are made and will be so reported in any statistical reports, in the same manner as any other employee in non-pay status.

4. Health benefits withholdings made by the Bureau of Employees' Compensation in behalf of employees whose enrollments have not been formally transferred to that Bureau will be handled under statistical and accounting arrangements worked out between the Commission and that Bureau.

5. If an employee covered for health benefits as a BEC beneficiary recovers sufficiently to return to work, his health benefits enrollment will be maintained by his employing agency even though he still receives reduced monthly compensation from BEC, provided he is eligible for continued coverage during that employment.

#### B. Employees and Former Employees Receiving Monthly Compensation

1. Requirements for Continuing Enrollment. An employee or former employee who receives benefits under the Federal Employees' Compensation Act is eligible to continue his enrollment (and that of his family members, if he has a family enrollment), if he meets all of the following requirements:

- a. He is enrolled in a health benefits plan at the time his compensation starts;
- b. The illness or injury for which he is compensated is contracted on or after the effective date of the Health Benefits Act;
- c. He has been enrolled for health benefits during all of his service since his first opportunity to enroll or for the 5 years of service immediately preceding the start of his compensation under the Federal Employees' Compensation Act;
- d. He receives "monthly compensation"; and
- e. He is determined by the Secretary of Labor to be unable to return to duty.

A person covered as a family member of an enrolled spouse is considered to be "enrolled" for purposes of requirement c, above.

2. Procedure. The following procedure directs agencies to add certain health benefits notations to C.A. 3, Report of Termination of Total or Partial Disability, and C.A. 4, Claim for Compensation on Account of Injury. Recurring notations may be made by rubber stamp. When the notation includes a number, the actual Enrollment Code Number of the individual should be written in.

These procedures may be disregarded, and no health benefits action need be taken, if (1) the employee files claim for compensation after he has recovered and returned to work, and (2) the total period of disability was 28 days or less.



- a. Employee not Enrolled. If an employee applying for monthly BEC compensation was not enrolled for health benefits, note the "Remarks" item (No. 4 in the Certificate of Official Superior of Injured Employee) of C.A. 4 "Not Enrolled for Health Benefits" and process the claim as usual.
- b. Employees Known to be Ineligible for Continued Enrollment. If an employee applying for monthly BEC compensation is determined by the employing office to be ineligible to continue health benefits enrollment as a BEC beneficiary because of failure to meet requirement c under 1, above, the employing agency will:
  - Note the "Remarks" item (No. 4 in the Certificate of Official Superior of Injured Employee) of C.A. 4 "Not Eligible to Continue Health Benefits"; BEC will not require documentation of this health benefits notation on C.A. 4 and will process the compensation claim as usual.7
  - If he is being separated, issue SF 2810 terminating his health benefits enrollment and notifying him of his right to convert.
  - If he remains on the rolls in non-pay status, carry him up to 365 days as an enrollee for whom no deductions are made, then terminate his health benefits enrollment and notify him of his right to convert.

Notice of termination and of right to convert to an individual policy will be given in the standard way, by preparing and issuing SF 2810's.

- c. Employee Believed Eligible for Continued Enrollment. If an employee applying for monthly BEC compensation is determined by the employing office to be eligible for continued enrollment insofar as requirements a and c under 1, above, are concerned, it will note the "Remarks" item (No. 4 in the Certificate of Official Superior of Injured Employee) of C.A. 4 "Enrollment Code (Number). Health Benefits Deductions Made Through (date)". This notation will constitute a certification to BEC that the employee meets requirements a and c, and BEC will not require documentation of this certification.

If the Bureau of Employees' Compensation determines (on the basis of the health benefits information given on C.A. 4 and of its own findings about the illness or injury) that the employee is eligible for continued health benefits coverage, it will make the necessary withholdings and contributions; compute the necessary Government contributions; and maintain special statistics on the basis of which the Commission will make the necessary statistical adjustments with carriers.

If BEC requests the employing agency to transfer the enrollment, the transfer will be made in the standard way: the employing agency will prepare and issue SF 2810, forwarding to BEC the quadruplicate copy of SF 2810 and the triplicate copy of all SF 2809's (along with any medical certificates attached); BEC will then prepare and issue SF 2810 completing the transfer of enrollment.

- d. Return to Duty by Employee Who Has Been Receiving Monthly BEC Compensation. When an employee who has been receiving monthly BEC compensation returns to duty, his employing agency will write into the "Remarks" item (No. 15) of C.A. 3 the beginning and the ending dates of the pay period in which he returns to work. (If the report is made by telegram instead of C.A. 3, these dates should be included in the telegram).

Upon receipt of a C.A. 3, or its equivalent, BEC will discontinue making withholdings.

- If transfer of enrollment to BEC had not been made, BEC will discontinue withholdings as of the beginning of the pay period in which the employee returned to work.
  - If transfer of enrollment by SF 2810 had been made, BEC will discontinue withholdings as of the date the employee returns to work, recognizing the 4-day rule for transfers. BEC will retransfer the enrollment to the agency. The retransfer will be made in the standard way through SF 2810's prepared by both BEC and the employing agency.
- e. Employee Whose Enrollment Has Been Transferred to BEC Elects to Retire. If an employee whose health benefits enrollment has been transferred to the Bureau of Employees' Compensation elects to retire and receive annuity in lieu of compensation, his retirement system will (by letter) request transfer of his enrollment from BEC. The transfer will be made in the standard way by preparation and issuance of SF 2810's.

C. Surviving Family Members of Deceased Employees or Former Employees Receiving Monthly BEC Compensation

1. Requirements for Continuing Enrollment. Surviving family members of a deceased employee or former employee are eligible to continue coverage, if all of the following requirements are met:

- a. The employee or former employee was enrolled for himself and his family at the time of his death;

- b. The employee or former employee had completed 5 or more years of creditable service at the time of his death;

- c. The death of the employee or former employee resulted from the compensable injury or illness contracted on or after the effective date of the Health Benefits Act; and
- d. At least one of the covered family members receives monthly compensation as a surviving beneficiary under the Federal Employees' Compensation Act.

Note, with respect to d, above, that all covered family members, provided they are otherwise eligible, are eligible to continue health benefits coverage so long as any one of them receives monthly compensation as a surviving beneficiary. For example, an employee dies leaving two children; although the older child's compensation terminates when he reaches age 18, his health benefits coverage will continue until his 19th birthday if the younger child continues to receive compensation from which withholdings can be made.

2. Procedure. If an enrolled employee receiving monthly BEC compensation dies and his enrollment had not been transferred to the Bureau of Employees' Compensation, the employing agency will

- a. Determine whether there is a surviving family member who may be eligible to continue health benefits. If there is no eligible survivor, the agency will terminate the enrollment by issuing SF 2810.
- b. If there is a survivor(s) who may be eligible to continue, the employing agency will prepare and issue SF 2810 transferring the enrollment to the "Civil Service Retirement System" as provided in Part IV. If the survivor later elects to receive compensation rather than survivor annuity, the enrollment will be retransferred to BEC.

If an enrolled employee receiving monthly BEC compensation dies and his enrollment had been transferred to BEC, or if an enrolled former employee dies while BEC is serving as his employing office for health benefits purposes, that Bureau will determine from his survivor(s) whether he elects to receive benefits as a surviving BEC beneficiary.

- a. If he does so elect, BEC will prepare and issue SF 2810 notifying the carrier of the enrollee's death and either continuing or discontinuing his survivor's enrollment.
- b. If he elects to receive survivor's benefits through the retirement system, BEC will prepare and issue SF 2810 transferring the enrollment to the retirement system as provided in Part IV.
- c. The employing agency, in the case of an employee still on its rolls at the time of his death, will note the SF 2806 "Health Benefits Enrollment Transferred to BEC", and forward it to the Commission in the usual way.